

AMENDED IN ASSEMBLY AUGUST 7, 2006

AMENDED IN SENATE MAY 11, 2006

AMENDED IN SENATE APRIL 26, 2006

SENATE BILL

No. 1513

Introduced by Senator Romero ~~Senators Romero and Figueroa~~
(Principal ~~coauthor: Assembly Member Liu~~ *coauthors: Assembly*
Members Liu, Aghazarian, Arambula, Baca, Chan, Garcia, and
Houston)

February 23, 2006

An act to ~~amend Section 13997 of the Government Code, relating to~~
add Title 19 (commencing with Section 99100) to the Government
Code, relating to international trade and investment.

LEGISLATIVE COUNSEL'S DIGEST

SB 1513, as amended, Romero. ~~Business, Transportation and~~
~~Housing Agency: trade and investment.~~*California International Trade*
and Investment Act.

Existing law *provides for various international trade and investment*
activities in the state, and authorizes ~~sets forth the duties and authority~~
~~of the Secretary of Business, Transportation and Housing generally.~~
~~The secretary is authorized~~ to accept private sector moneys for the
purposes of promoting international trade and investment, subject to
specified criteria.

Existing law, until January 1, 2008, requires the Governor to direct
the secretary to establish, on a contract basis, and to the extent funds
are available for that purpose, an international trade and investment
office in Yerevan, in the Republic of Armenia.

~~This bill would additionally require the secretary to study the feasibility and desirability of establishing permanent international trade and investment offices within state government. The bill would require the secretary, if he or she finds that there is a need for permanent programs, to develop a strategic plan for state involvement in international trade and investment, as specified, and provide the Legislature with the plan by July 1, 2008. The bill would authorize the secretary to establish international trade and investment offices, as specified, upon statutory authorization by the Legislature enact the California International Trade and Investment Act, to specify that the agency shall be the primary state agency responsible for international trade and investment activities in the state, subject to specified conditions. It would also require the secretary to develop an international trade and investment policy, complete a study on the potential role of the state in global markets, and develop an international trade and investment strategy for the state, subject to specified requirements. It would require the secretary to convene or join a statewide business partnership for international trade and investment to advise on business needs and priorities in that regard. It would also require the secretary to develop an international trade and investment office strategy and authorize the establishment of international trade and investment offices by the agency, subject to specified conditions.~~

This bill would additionally require the Office of Planning and Research to maintain, and update at least monthly, a full and comprehensive list of all state agreements made with foreign governments, as provided. It would require all state employees, as specified, to provide to their agency or department head or other oversight entity the agency, within 30 days of traveling out of the country on official state business relating to trade or investment, or both, a memorandum with specified information regarding the trip.

(2) Existing law specifies that the Governor is the sole official source of communication between the government of this state and the government of the United States.

This bill would require the state point of contact for the United States Trade Representative, within the Office of the Governor, to perform specified duties with regard to the effect of federal trade policy on the state.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. The Legislature finds and declares all of the*
2 *following:*

3 *(a) The statutory authority for the Technology, Trade, and*
4 *Commerce Agency, including the agency's international trade*
5 *and investment promotion programs, was repealed by Chapter*
6 *229 of the Statutes of 2003, thereby reducing the capacity of state*
7 *government to assist California firms in developing global*
8 *business opportunities.*

9 *(b) The repeal of the statutory authority for the Technology,*
10 *Trade, and Commerce Agency has increased the importance of*
11 *strengthening collaborative linkages among remaining*
12 *California-based international trade and investment promotion*
13 *programs operated at federal, state, regional, and local levels.*
14 *These programs include, but are not limited to, the Centers for*
15 *International Trade Development operated by the California*
16 *Community Colleges, 15 offices of the United States Commercial*
17 *Service within the United States Department of Commerce,*
18 *numerous local and regional World Trade Centers, and public*
19 *and private economic development and trade associations.*

20 *(c) According to data for 2000, international trade and*
21 *investment activity in the state supports one in every seven*
22 *California jobs.*

23 *(d) According to the Public Policy Institute of California:*

24 *(1) Nearly 94 percent of all exporters located in California are*
25 *small- or medium-sized firms. Over 90 percent of businesses in*
26 *California are small businesses and over 50 percent of all*
27 *workers are employed by a small business.*

28 *(2) Exporters are more productive and pay higher wages than*
29 *nonexporters.*

30 *(3) Effective state programs supporting export opportunities*
31 *should identify and respond to differing needs of both*
32 *export-willing and export-ready firms.*

33 *(e) The adequacy of the state's infrastructure, workforce,*
34 *research facilities, manufacturing and service industries, and*
35 *access to capital form the foundation of California's global*
36 *market-related economy.*

37 *(f) California's multicultural and ethnic populations offer*
38 *unique opportunities for international trade and investment.*

1 (g) *United States subsidiaries of foreign companies in*
2 *California employed 561,000 California workers from 2000 to*
3 *2005. This is an increase of 15 percent. In comparison to other*
4 *states, California is an attractive location for international*
5 *employers, ranking first in the United States in the number of*
6 *employees supported by United States subsidiaries.*

7 (h) *California's trade and investment policy is a living*
8 *document that should be regularly updated to reflect emerging*
9 *business trends and the changing needs of California businesses*
10 *and workers.*

11 SEC. 2. *Title 19 (commencing with Section 99100) is added*
12 *to the Government Code, to read:*

13
14 TITLE 19. INTERNATIONAL TRADE AND INVESTMENT

15
16 99100. *This title shall be known and may be cited as the*
17 *California International Trade and Investment Act.*

18 99101. (a) *The Legislature finds and declares as follows:*

19 (1) (A) *The Governor is the primary state officer representing*
20 *California's interest in international affairs, to the extent that*
21 *representation is not in conflict with federal law or the*
22 *California Constitution, and except as specified in this title to the*
23 *extent it is not in conflict with federal law or the California*
24 *Constitution.*

25 (B) (i) *There is within the Office of the Governor a state point*
26 *of contact who, in compliance with federal practice, receives*
27 *updates from the federal government on trade policies, is often*
28 *provided the opportunity to review and comment on ongoing*
29 *trade negotiations, and serves as the state's liaison to the United*
30 *States Trade Representative on trade-related matters.*

31 (ii) *The state point of contact described in subparagraph (i)*
32 *shall, in addition to any other duties assigned by the Governor,*
33 *do all of the following:*

34 (I) *Immediately disseminate any correspondence or*
35 *information from the United States Trade Representative to the*
36 *appropriate state agencies and departments and legislative*
37 *committees.*

38 (II) *Work with the appropriate state agencies and*
39 *departments, and the Legislature, to review the effects on the*
40 *California environment, and California businesses, workers, and*

1 *general lawmaking authority, of any proposed or enacted trade*
2 *agreement provisions, and communicate those findings to the*
3 *United States Trade Representative.*

4 *(III) Serve as liaison to the Legislature on matters of trade*
5 *policy oversight.*

6 *(2) The Lieutenant Governor is the chair of the California*
7 *Commission for Economic Development, to improve trade*
8 *opportunities for California. The Commission has developed*
9 *international partnerships that provide venues for foreign*
10 *companies to do business in the state and for California-based*
11 *companies to access foreign markets.*

12 *(3) The Attorney General is the chief law officer of California*
13 *and as such assists the federal government in defending against*
14 *international challenges to California laws.*

15 *(4) The Secretary of State oversees the International Business*
16 *Relations Program, which aims to develop stronger connections*
17 *between the international business community and the State of*
18 *California by assisting foreign business entities with the various*
19 *filing processes and procedures in California.*

20 *(5) The Department of Agriculture is the primary state agency*
21 *is the primary state agency for the promotion of California*
22 *agriculture, fish, and forest exports.*

23 *(6) The Resources Agency and the California Environmental*
24 *Protection Agency are the primary state agencies for the*
25 *promotion of international exchange of environmental protection*
26 *technologies, alternative energy technologies, and the promotion*
27 *of the transfer of environmental technology to and from the state.*

28 *(7) The Business, Transportation and Housing Agency is the*
29 *primary state agency authorized to do all of the following:*

30 *(A) Attract employment-producing foreign investment to the*
31 *state.*

32 *(B) Cooperate in international public infrastructure projects.*

33 *(C) Provide support for California business in accessing*
34 *international markets, including, but not limited to, export*
35 *assistance.*

36 *(D) Engage in other trade or foreign investment related*
37 *activities specifically assigned by the Governor, including, but*
38 *not limited to, the California state point of contact on trade.*

39 *(b) (1) Subject to Section 99107, the Business, Transportation*
40 *and Housing Agency shall be the primary state agency*

1 responsible for international trade and investment activities in
2 the state.

3 (2) The international trade and investment activities of the
4 agency shall be monitored by the Legislature, and all public
5 moneys in its budget expended for those purposes, shall be
6 subject to approval by the Legislature.

7 (3) The Secretary of Business, Transportation and Housing
8 shall develop an international trade and investment policy, which
9 shall be consistent with the economic development strategic plan
10 prepared by the California Economic Strategy Panel pursuant to
11 Section 15570, and shall provide guidance to strategies and
12 plans from other agencies and departments related to workforce
13 and infrastructure development.

14 (4) California's international trade and investment policy
15 shall be directed through its state strategy, which shall be based
16 on current and emerging market conditions and the needs of
17 investors, businesses, and workers to be competitive in global
18 markets.

19 99102. (a) Not later than October 1, 2007, the Secretary of
20 Business, Transportation and Housing shall complete a study on
21 the potential roles of the state in global markets.

22 (b) The study shall include, but not be limited to, all of the
23 following:

24 (1) A discussion of California's economy and its relationship
25 to global markets, including identification of current and
26 emerging trends, industries, services, and areas of comparative
27 advantage.

28 (2) An inventory and gap analysis of existing programs and
29 services provided by local, state, federal, and private entities,
30 which serve, or could serve, businesses in opening new foreign
31 markets for their products, attracting foreign investment to their
32 businesses, or generally assisting California businesses in global
33 markets.

34 (3) An assessment and gap analysis of the current and future
35 physical and human infrastructure related to foreign trade and
36 investment markets, and the appropriate role for state
37 government to improve the infrastructure needs.

38 (4) The results of a survey of businesses on their needs and
39 priorities related to foreign trade and investment. The study may
40 rely on current surveys prepared by trade organizations or

1 *academic centers dedicated to economic development, or other*
2 *surveys, as appropriate.*

3 *(5) An examination of how best to coordinate and leverage*
4 *existing local, state, and federal organizations, programs, and*
5 *services related to international trade and investment.*

6 *(6) An assessment of unique opportunities and challenges in*
7 *developing businesses and attracting investment along the border*
8 *and in historically underserved urban and rural areas.*

9 *(c) (1) The study shall make recommendations on policies,*
10 *programs, and funding needs for the next three years, seven*
11 *years, and over the long term.*

12 *(2) Recommendations may include infrastructure*
13 *improvements, workforce training needs, incentives for business*
14 *or investors, and need for international trade and investment*
15 *offices.*

16 *(3) To the extent international trade and investment offices are*
17 *found to be appropriate, the study may make general*
18 *recommendations on the administration, oversight, and mission*
19 *or missions of the offices.*

20 *(4) The study shall recommend priorities for state activities*
21 *and funding related to international trade and investment. The*
22 *priorities shall be based on the assessment of current and*
23 *emerging market trends, the inventory and gap analysis of*
24 *programs and services, the assessment of current and future*
25 *infrastructure and workforce needs, and input by the business*
26 *community.*

27 *(5) The study shall recommend an international trade and*
28 *investment organizational structure for the state administration*
29 *of international trade and investment policies, programs, and*
30 *services.*

31 *(d) During the course of the study, the secretary shall consult*
32 *with other agencies, boards, and commissions that have statutory*
33 *responsibilities related to workforce development, infrastructure,*
34 *business, and international trade and investment including, but*
35 *not limited to, the Economic Strategy Panel, the California*
36 *Commission on Industrial Innovation, the Office of the Small*
37 *Business Advocate, the California Transportation Commission,*
38 *the California Community Colleges, the University of California,*
39 *the California State University, the Workforce Investment Board,*

1 *the Employment Training Panel, and the California Energy*
2 *Commission.*

3 *(e) The results of the study shall be submitted to the Chief*
4 *Clerk of the Assembly and the Secretary of the Senate. A copy of*
5 *the study shall be provided to the Speaker of the Assembly, the*
6 *President pro Tempore of the Senate, and the chairs of the*
7 *Assembly Committee on Jobs, Economic Development, and the*
8 *Economy and the Senate Committee on Business, Professions*
9 *and Economic Development, or the successor committees with*
10 *jurisdiction over international trade and economic development*
11 *programs.*

12 *99103. (a) Based on the study prepared pursuant to Section*
13 *99102, the Secretary of Business, Transportation and Housing*
14 *shall provide to the Legislature, not later than February 1, 2008,*
15 *a strategy for international trade and investment that, at a*
16 *minimum, includes all of the following:*

17 *(1) Policy goals, objectives, and recommendations necessary*
18 *to implement a comprehensive international trade and investment*
19 *program for the State of California. This information shall be*
20 *provided in a fashion that clearly indicates priority within the*
21 *overall strategy.*

22 *(2) Measurable outcomes and timelines for the goals,*
23 *objectives, and actions for the international trade and investment*
24 *program.*

25 *(3) Identification of impediments for achieving goals and*
26 *objectives.*

27 *(4) Identification of key stakeholder partnerships that will be*
28 *used in implementing the strategy.*

29 *(5) Identification of options for funding recommended actions.*

30 *(6) Identification of an international trade and investment*
31 *organizational structure for the state administration of*
32 *international trade and investment policies, programs, and*
33 *services.*

34 *(b) The strategy shall be developed in consultation with the*
35 *California Economic Strategy Panel.*

36 *(c) The strategy shall be submitted to the Chief Clerk of the*
37 *Assembly and the Secretary of the Senate. A copy of the strategy*
38 *shall be provided to the Speaker of the Assembly, the President*
39 *pro Tempore of the Senate, and the chairs of the Assembly*
40 *Committee on Jobs, Economic Development, and the Economy*

1 *and the Senate Committee on Business, Professions and*
2 *Economic Development, or the successor committees with*
3 *jurisdiction over international trade and economic development*
4 *programs.*

5 *(d) (1) The strategy shall be reviewed in at least one public*
6 *hearing by the relevant policy and fiscal committees of each*
7 *house of the Legislature. The hearings shall be held within 60*
8 *days of the strategy being submitted to the Legislature. If the*
9 *strategy is submitted when the Legislature is in recess, the*
10 *hearings shall occur within 60 days of the members convening.*

11 *(2) The legislative committees may make recommendations to*
12 *the secretary on the strategy, and the secretary may modify the*
13 *strategy accordingly.*

14 *(e) The secretary shall report to the fiscal committees of the*
15 *Legislature by February 1 of each year on how the Governor's*
16 *proposed budget relates to the strategy.*

17 *(f) The strategy shall be updated pursuant to the procedures of*
18 *this section, at least every five years.*

19 *99104. (a) The Secretary of Business, Transportation and*
20 *Housing shall convene a statewide business partnership for*
21 *international trade and investment no later than March 1, 2007.*

22 *(b) The business partnership shall include representatives*
23 *from small, medium, and large businesses and industries, as well*
24 *as nongovernmental organizations and government*
25 *representatives.*

26 *(c) The business partnership shall advise the secretary on*
27 *business needs and strategy priorities as they relate to*
28 *international trade and investment. This information shall be*
29 *used in establishing the needs and priorities in the strategy*
30 *developed pursuant to Section 99103, and for any other uses as*
31 *determined by the secretary.*

32 *99105. (a) (1) The Secretary of Business, Transportation*
33 *and Housing is prohibited from establishing any international*
34 *trade and investment office unless the following conditions are*
35 *met:*

36 *(A) The secretary determines that, based on a review of the*
37 *international trade and investment policies and the*
38 *recommendations and priorities established in the international*
39 *trade and investment strategy developed pursuant to Section*

1 99103, it is appropriate to consider establishing international
2 trade and investment offices.

3 (B) The secretary prepares a separate international trade and
4 investment office strategy, that meets the requirements and
5 conditions of this section.

6 (C) The international trade and investment office strategy
7 receives statutory authorization pursuant to the requirements and
8 conditions of this section.

9 (D) The secretary submits a business plan to the Legislature,
10 that meets the requirements of Section 99106.

11 (2) This title does not apply to any international trade and
12 investment office established pursuant to Section 13997.1.

13 (b) If the secretary determines that opening international trade
14 and investment offices is in the best interest of the state, the
15 secretary shall develop a strategy for selecting, opening, and
16 managing international trade and investment offices.

17 (c) The international trade and investment office strategy shall
18 conform to at least all of the following requirements:

19 (1) It shall be based on the needs and priorities of California's
20 businesses.

21 (2) It shall be consistent with the resources and priorities of
22 the overall trade and investment strategy submitted to the
23 Legislature pursuant to Section 99103.

24 (3) It shall define the program's goals, objectives, and
25 timelines for achieving quantifiable targets. Individual offices
26 may have separate missions or play different roles within the
27 overall international trade and investment office strategy. To the
28 extent that the proposed offices are expected to assist businesses
29 in opening new markets, these activities shall be targeted
30 primarily to small- and medium-sized businesses.

31 (4) It shall define the Business, Transportation and Housing
32 Agency's management and oversight responsibilities, funding
33 levels, and activities.

34 (5) It shall define how international trade and investment
35 office locations will be selected by the secretary and approved by
36 the Governor, including the general geographic locations,
37 number of offices, a process for determining how long an office
38 should remain operational, and duties undertaken by the offices.

39 (6) It shall define how the offices will be funded, including
40 funding for oversight and monitoring.

1 (7) *It shall define how offices will be staffed, including staffing*
2 *levels and types of positions needed to operate the offices*
3 *proposed in the international trade and investment office*
4 *strategy.*

5 (8) *It shall provide a conflict-of-interest policy and gift policy.*

6 (9) *It shall provide for the appointment of a senior level*
7 *international trade and investment office manager as described*
8 *in subdivision (c) of Section 99106.*

9 (d) *The international trade and investment office strategy shall*
10 *be submitted to the Chief Clerk of the Assembly and the Secretary*
11 *of the Senate. A copy of the strategy shall be provided to the*
12 *Speaker of the Assembly, the President pro Tempore of the*
13 *Senate, and the chairs of the Assembly Committee on Jobs,*
14 *Economic Development, and the Economy and the Senate*
15 *Committee on Business, Professions and Economic Development,*
16 *or the successor committees with jurisdiction over international*
17 *trade and economic development programs.*

18 (e) (1) *The international trade and investment office strategy*
19 *shall be reviewed in at least one public hearing by the relevant*
20 *policy and fiscal committees of each house of the Legislature.*
21 *The hearings shall be held within 60 days of the strategy being*
22 *submitted to the Legislature. If the strategy is submitted when the*
23 *Legislature is in recess, the hearings shall occur within 60 days*
24 *of the members convening.*

25 (2) *The legislative committees may make recommendations to*
26 *the secretary on the strategy, and the secretary may modify the*
27 *strategy accordingly.*

28 (f) *The international trade and investment office strategy shall*
29 *be updated no less than every five years from the date that the*
30 *first strategy is submitted to the Chief Clerk of the Assembly and*
31 *the Secretary of the Senate.*

32 (g) *The international trade and investment office strategy shall*
33 *be implemented only upon statutory authorization by the*
34 *Legislature.*

35 99106. (a) *Except as specified in Section 13997.1,*
36 *international trade and investment offices may be established*
37 *only to the extent authorized by, and under the conditions*
38 *specified in, the international trade and investment office*
39 *strategy described in Section 99105. Except as specified in*

1 *Section 13997.1, no office may be established except as provided*
2 *in this title.*

3 *(b) In establishing offices pursuant to this section, the*
4 *secretary shall submit to the Legislature a business plan for each*
5 *proposed office, which shall include, but not be limited to, all of*
6 *the following:*

7 *(1) The mission of the office, goals, objectives, and timelines*
8 *for achieving quantifiable targets.*

9 *(2) The level of staffing and staff expertise requirements*
10 *needed to successfully operate the office.*

11 *(3) The proposed terms of the contract, including the duration*
12 *and oversight of the contract.*

13 *(4) How the opening of the office relates to the international*
14 *trade and investment office strategy and the overall international*
15 *trade and investment strategy.*

16 *(c) (1) The international trade and investment offices shall be*
17 *under the direction of a manager of international trade and*
18 *investment offices within the agency, to be designated by the*
19 *secretary. The manager shall be an individual with experience in*
20 *management and oversight of public agencies and experience in*
21 *international trade, investments, or global business.*

22 *(2) No international trade and investment office shall be*
23 *opened until the position of the manager of international trade*
24 *and investment offices is filled within the agency.*

25 *(3) The position of the manager of the international trade and*
26 *investment offices shall be a state employee position funded and*
27 *staffed in a manner consistent with the international trade and*
28 *investment office strategy.*

29 *(d) (1) Each office established pursuant to this title shall*
30 *submit a report to the agency by December 1 of each year on*
31 *meeting its goals, objectives, and timelines as outlined in its*
32 *business plan.*

33 *(2) The secretary shall provide a summary of the reports to the*
34 *relevant policy committees of each house of the Legislature, as*
35 *set forth in paragraph (2) of subdivision (f), by the following*
36 *February 1 of each year.*

37 *(e) The agency shall conduct an annual performance review of*
38 *each office for the first three years of the office's operation. After*
39 *this term, upon the determination of the secretary, the*
40 *performance reviews may be undertaken at a longer interval, but*

1 *not to exceed five years. If the secretary determines that an*
2 *extended interval is appropriate for a particular office, this shall*
3 *be clearly indicated in the secretary's annual report to the*
4 *Legislature on the activities of the offices.*

5 *(f) (1) The secretary shall contract for an independent study*
6 *of the operations and effectiveness of the international trade and*
7 *investment offices established pursuant to this section at the*
8 *conclusion of the first two years of operation and at four year*
9 *intervals after the initial study.*

10 *(2) The report on the results of the study shall be submitted to*
11 *the Chief Clerk of the Assembly and the Secretary of the Senate*
12 *no later than two years after the opening of the first office*
13 *pursuant to this title. A copy of the report shall be provided to the*
14 *Speaker of the Assembly, the President pro Tempore of the*
15 *Senate, and the chairs of the Assembly Committee on Jobs,*
16 *Economic Development, and the Economy and the Senate*
17 *Committee on Business, Professions and Economic Development,*
18 *or the successor committees with jurisdiction over international*
19 *trade and economic development programs.*

20 *(g) International trade and investment offices shall operate*
21 *only to the extent that at least 75 percent of the funding for the*
22 *operation of the individual office comes from sources other than*
23 *state funds, authorized pursuant to Section 13997. All nonstate*
24 *sources of funding shall be identified on the agency Web site by*
25 *name and the amount contributed. The agency shall be*
26 *responsible for all state administrative and oversight costs. The*
27 *agency shall also be responsible for some portion of the costs of*
28 *each office, not to exceed one hundred thousand dollars*
29 *(\$100,000) per office.*

30 *(h) Consistent with the international trade and investment*
31 *office strategy, the secretary shall make a determination by*
32 *September 1 of each year that sufficient funds have been*
33 *appropriated in the annual Budget Act to meet its oversight and*
34 *management responsibilities related to the proper operation of*
35 *the offices. If, in the opinion of the secretary, insufficient funding*
36 *has been provided, the secretary shall notify the Joint Budget*
37 *Committee and submit a budget change proposal to request*
38 *sufficient funding.*

39 *99107. The Controller shall not allocate any state funds to*
40 *the Business, Transportation and Housing Agency for*

1 *international trade and investment activities if any of the*
2 *following conditions occur:*

3 *(a) The strategy for international trade and investment has not*
4 *been submitted to the Legislature pursuant to subdivision (a) of*
5 *Section 99103 by May 1, 2008, or the strategy update required*
6 *by subdivision (f) of that section has not been completed within*
7 *six years of the completion of the original strategy or the most*
8 *recent update, as applicable.*

9 *(b) The report to the fiscal committees of the Legislature*
10 *required by subdivision (e) of Section 99103 has not been*
11 *submitted by May 1 of the year in which it is due.*

12 *(c) The summary required by paragraph (2) of subdivision (d)*
13 *of Section 99106 has not been submitted to the Legislature by*
14 *May 1 of the year in which it is due.*

15 *(d) The determination required by subdivision (h) of Section*
16 *99106 has not been made by December 1 of the year in which it*
17 *is due.*

18 *99108. (a) The Office of Planning and Research shall*
19 *maintain and update, a full and comprehensive list of all state*
20 *agreements made with foreign governments. The list shall be*
21 *updated within 30 days of the effective date of each new*
22 *agreement. The list shall include at least all of the following:*

23 *(1) The dates of enactment or approval and termination.*

24 *(2) The agency, department, board, commission, or other*
25 *governmental entity responsible for implementation.*

26 *(3) Activities proposed.*

27 *(4) Expected outcomes.*

28 *(b) Agencies may separately maintain detailed information or*
29 *reports on these activities as those agencies determine to be*
30 *appropriate, but that information or those reports shall not be*
31 *deemed to meet the requirements of this section.*

32 *99109. (a) All state employees shall, within 30 days of*
33 *traveling out of the country on official state business relating to*
34 *trade or investment, or both, provide, to the Business,*
35 *Transportation and Housing Agency, a memorandum detailing*
36 *dates of the trip, countries and localities visited, a description of*
37 *attendees of any official meetings or events, and the goals,*
38 *outcomes, and followup expected from the trip.*

39 *(b) Travel out of the country on official state business relating*
40 *to trade or investment, or both, when the Governor or Members*

1 *of the Legislature, or both, are present, are exempt from the*
2 *requirements of subdivision (a).*

3 ~~SECTION 1. Section 13997 of the Government Code is~~
4 ~~amended to read:~~

5 ~~13997. (a) The Secretary of Business, Transportation and~~
6 ~~Housing shall study the feasibility and desirability of establishing~~
7 ~~permanent international trade and investment programs within~~
8 ~~state government. If the secretary finds there is a need for~~
9 ~~permanent programs, the secretary shall provide the Legislature~~
10 ~~with a strategic plan for state involvement in international trade~~
11 ~~and investment by July 1, 2008. The strategic plan should include~~
12 ~~at least all of the following:~~

13 ~~(1) An examination of the existing international trade and~~
14 ~~investment services provided by state, federal, or private~~
15 ~~programs or organizations, as well as an identification of any~~
16 ~~gaps in those services.~~

17 ~~(2) A recommendation as to whether the state should play a~~
18 ~~role in international trade and investment, and if the state should~~
19 ~~play such a role, an identification of the proposed components.~~

20 ~~(3) A recommendation as to whether state international trade~~
21 ~~and investment assistance should be directed towards a particular~~
22 ~~sector of California's industries or workforce, and if so, which~~
23 ~~sector or sectors.~~

24 ~~(4) A proposal as to how state sponsored international trade~~
25 ~~and investment services provided by the state, federal, or private~~
26 ~~programs or organizations can work together in a coordinated~~
27 ~~effort.~~

28 ~~(5) A proposal as to how state sponsored international trade~~
29 ~~and investment services would serve California's businesses,~~
30 ~~workforce, and overall quality of life of all Californians.~~

31 ~~(6) The estimated costs to the state to facilitate the proposed~~
32 ~~international trade and investment program.~~

33 ~~(7) A proposal as to how the secretary would collaborate with~~
34 ~~the Legislature on international trade agreements in situations~~
35 ~~where the federal government has requested input from the state~~
36 ~~on ongoing trade negotiations.~~

37 ~~(8) An examination of what role, if any, overseas trade and~~
38 ~~investment offices should play in the overall strategic trade and~~
39 ~~investment plan as identified in paragraphs (1) to (5), inclusive.~~

~~(b) In completing the strategic plan identified under subdivision (a) the secretary may convene an International Trade Partnership Council to provide advice and counsel regarding the strategic plan. The council members shall be appointed by the secretary to reflect the state's diverse geographic, economic, and cultural makeup and should include trade, international law, and global economy experts representing export businesses, manufacturing, small and medium sized businesses, agriculture and small farming, organized labor, human rights organizations, environmental organizations, California's universities and colleges, law schools and policy institutes, California International Trade Development Centers, local world trade centers, and trade organizations. The council should also include bipartisan representation from the Legislature, to the extent that participation does not conflict with the members' legislative duties as well as representation from the Department of Food and Agriculture, the Labor and Workforce Development Agency, and the Travel and Tourism Commission.~~

~~(c) Upon statutory authorization by the Legislature of the strategic plan, as provided in subdivision (a), the secretary may carry out activities related to domestic and international trade and investment on behalf of the state, as identified in the strategic plan.~~

~~(d) In exercising the authority provided under subdivision (c), the secretary may determine there is a need for overseas international trade and investment offices. The secretary may establish international trade and investment offices in the following manner:~~

~~(1) The secretary shall submit to the Legislature a plan for any international trade and investment office proposed to be established. The plan shall, at a minimum, do the following:~~

~~(A) Demonstrate the need for state representation in the area to be served that cannot be met through existing trade and investment networks.~~

~~(B) Define the duties and functions to be carried out by the office in collaboration with existing federal, state, local, or other international trade and investment entities.~~

~~(C) Identify the beneficial impact on the state's businesses, workforce, and overall quality of life in this state resulting from the establishment of the office.~~

1 ~~(D) Identify how the office will be evaluated, the criteria by~~
2 ~~which the office will be evaluated, and a schedule by which the~~
3 ~~secretary will report to the Governor and the Legislature on the~~
4 ~~success of the office.~~

5 ~~(E) Identify the proposed funding mechanism for the office,~~
6 ~~and if the offices, are to be privately funded or contract offices,~~
7 ~~the proposed oversight practices, and public reporting plans.~~

8 ~~(2) Upon presentation of a proposal for an international trade~~
9 ~~and investment office as described in this subdivision, the~~
10 ~~secretary shall request statutory authorization by the Legislature~~
11 ~~to establish the office.~~

12 ~~(3) Any international trade and investment offices established~~
13 ~~shall not promote international trade agreements nor represent~~
14 ~~the state in international trade agreement negotiations undertaken~~
15 ~~by the federal government.~~

16 ~~(4) Nothing in this section shall preclude the operation of any~~
17 ~~international trade and investment office established pursuant to~~
18 ~~authorization by the Legislature in effect on or before January 1,~~
19 ~~2007.~~

20 ~~(e) The secretary may accept private sector moneys in an~~
21 ~~amount not in excess of ten thousand dollars (\$10,000) per~~
22 ~~donation made to the state for the purposes of promoting~~
23 ~~international trade and investment, subject to Title 9~~
24 ~~(commencing with Section 81000), and not in excess of a total of~~
25 ~~ten thousand dollars (\$10,000) per quarter per donor. All private~~
26 ~~sector moneys shall be used for these purposes but the donor may~~
27 ~~specify the international trade and investment office or~~
28 ~~international trade or investment event for which the private~~
29 ~~sector money shall be used. The private sector moneys shall be~~
30 ~~deposited into the Economic Development and Trade Promotion~~
31 ~~Account, which is hereby established in the Special Deposit Fund~~
32 ~~in the State Treasury. The secretary may expend moneys in the~~
33 ~~account, without regard to fiscal years, for the purposes of this~~
34 ~~section. Moneys in the Economic Development and Trade~~
35 ~~Promotion Account may be allocated to an international trade~~
36 ~~and investment office, and if so allocated shall be maintained by~~
37 ~~that office in an account. Notwithstanding any other provision of~~
38 ~~law, the secretary may use the private sector moneys for~~
39 ~~expenses incurred to promote international trade and investment~~
40 ~~that will directly benefit California business. Records of~~

1 ~~donations received and expenditures made pursuant to this~~
2 ~~section shall be made available to the public on the agency's~~
3 ~~Internet Web site.~~

4 ~~(f) The international trade and investment office using the~~
5 ~~funds shall memorialize the payment in a written record as~~
6 ~~follows:~~

7 ~~(1) Identifies the donor and the official or officials receiving or~~
8 ~~using the payment.~~

9 ~~(2) Describes the official agency use and the nature and~~
10 ~~amount of each payment.~~

11 ~~(3) Is filed with the Business, Transportation and Housing~~
12 ~~Agency that maintains the records of the agency's statements of~~
13 ~~economic interests, and the filing is done within 30 days of the~~
14 ~~receipt of the payment by the agency.~~

15 ~~(g) Nothing in this section shall affect any requirement of the~~
16 ~~Political Reform Act of 1974 (Title 9 (commencing with Section~~
17 ~~81000)).~~